

000421 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
DAREX CIS LLC

Statement 3  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	10,305	18,474
Total	10,305	18,474

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W. R. GRACE & CO. & SUBSIDIARIES  
DAREX CIS LLC

Statement 4  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES		27,522
Total	0	27,522

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W. R. GRACE & CO. & SUBSIDIARIES  
DAREX CIS LLC

Statement 5  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE	-2,317	10,291
INCOME TAXES PAYABLE	-23,024	-1,007
INTER CORPORATE BAL. WITH		31,581
Total	-25,341	40,865

**Form 5471**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Information Return of U.S. Persons With  
Respect To Certain Foreign Corporations**

► See separate Instructions.

OMB No. 1545-0704

File In Duplicate  
(see When and  
Where To File in the  
instructions)

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01 , 2001 , and ending 12/31 , 2001

Name of person filing this return

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

**A Identifying number**

65-0773649

Number, street, &amp; room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. - SUITE 300

**B Category of filer (See instructions. Check applicable box(es)):**1  2  3  4  5 

City or town, state, and ZIP code

BOCA RATON, FL 33487

**C Enter the total percentage of the foreign corporation's voting stock**

you owned at the end of its annual accounting period 100.000000 %

Filer's tax year beginning 01/01 , 2001 , and ending 12/31 , 2001

**D Person(s) on whose behalf this information return is filed:**

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**W.R. GRACE (SINGAPORE) PT  
25 TANJONG PENJURU,  
JURONG INDUSTRIAL TOWN, SINGAPORE 609024**b Employer identification number, if any****c Country under whose laws incorporated**  
SINGAPORE

<b>d Date of incorporation</b>	<b>e Principal place of busn.</b>	<b>f Principal business activity code number</b>	<b>g Principal business activity</b>	<b>h Functional currency</b>
04/13/70	SINGAPORE	325900	OTHER CHEMICAL PRODUCTS MFG	Singapore Dollar

**2 Provide the following information for the foreign corporation's accounting period stated above.**

<b>a Name, address, and identifying number of branch office or agent (if any) in the United States</b> NONE	<b>b If a U.S. income tax return was filed, please show:</b>	
	(i) Taxable income or (loss)	(ii) U.S. income tax paid (after all credits)
<b>c Name and address of foreign corporation's statutory or resident agent in country of incorporation</b>		<b>d Name and address (including corporate department, if applicable) of person (or persons) with custody of books &amp; records of the foreign corporation, and the location of such books and records, if different</b> LIM MEE LIH

**Schedule A Stock of the Foreign Corporation****Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	2,030,000	2,030,000

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate Instructions.

Form 5471 (Rev. 5-2001)

Form 5471 (Rev. 5-2001)

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**Schedule B U.S. Shareholders of Foreign Corporation** (See the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder <b>(Note:</b> This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W. R. GRACE & CO. - CONN		2,030,000	2,030,000	
7500 GRACE DRIVE				
COLUMBIA, MD 21044				
13-5114230				
*A WHOLLY OWNED				
SUBSIDIARY OF				
W.R. GRACE & CO.				

**Schedule C      Income Statement (See the instructions.)**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
I N C O M E	1a Gross receipts or sales .....	130,139,759.	72,440,995.
	b Returns and allowances .....	2,330,960.	1,297,506.
	c Subtract line 1b from line 1a .....	127,808,799.	71,143,489.
	2 Cost of goods sold .....	109,988,890.	61,224,216.
	3 Gross profit (subtract line 2 from line 1c) .....	17,819,909.	9,919,273.
	4 Dividends .....		
	5 Interest .....	351,621.	195,727.
	6 Gross rents, royalties, and license fees .....	2,313,493.	1,287,782.
	7 Net gain or (loss) on sale of capital assets .....		
8 Other income (attach schedule) .....	1,901,203.	1,058,285.	
9 Total income (add lines 3 through 8) .....	22,386,226.	12,461,067.	
D E D U C T I O N S	10 Compensation not deducted elsewhere .....	11,229,930.	6,251,028.
	11 Rents, royalties, and license fees .....	1,211,188.	674,195.
	12 Interest .....		
	13 Depreciation not deducted elsewhere .....	733,433.	408,258.
	14 Depletion .....		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes) .....	28,797.	16,030.
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes) .....	9,708,848.	5,404,334.
	17 Total deductions (add lines 10 through 16) .....	22,912,196.	12,753,845.
	I N C O M E T	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9) .....	
19 Extraordinary items and prior period adjustments (see instructions) .....		18 -525,970.	-292,778.
20 Provision for income, war profits, and excess profits taxes (see instructions) .....		19 -322,083.	-179,284.
21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20) .....		20 -203,887.	-113,494.

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**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)**

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 SINGAPORE	2,039.	0.5389900	1,099.
3			
4			
5			
6			
7			
8 Total.....			1,099.

**Schedule F Balance Sheet**

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	3,111,209.	7,702,548.
2a Trade notes and accounts receivable.....	10,151,217.	13,314,204.
b Less allowance for bad debts.....	( -64,978. )	( -41,671. )
3 Inventories .....	1,716,604.	3,614,670.
4 Other current assets (attach schedule)..... SEE STATEMENT. 3 .....	312,799.	175,906.
5 Loans to stockholders and other related persons.....		
6 Investment in subsidiaries (attach schedule) .....		
7 Other investments (attach schedule) .....	SEE STATEMENT. 4 .....	141,363.
8a Buildings and other depreciable assets .....	10,043,395.	9,865,473.
b Less accumulated depreciation .....	(6,145,790. )	( 6,068,005. )
9a Depletable assets .....		
b Less accumulated depletion .....		
10 Land (net of any amortization) .....		
11 Intangible assets:		
a Goodwill .....		
b Organization costs .....		
c Patents, trademarks, and other intangible assets .....		
d Less accumulated amortization for lines 11a, b, and c .....		
12 Other assets (attach schedule)..... SEE STATEMENT. 5 .....	509,503.	1,350,058.
13 Total assets .....	19,905,278.	30,124,873.
Liabilities and Stockholders' Equity		
14 Accounts payable .....	657,551.	565,891.
15 Other current liabilities (attach schedule) .....	5,133,582.	18,703,289.
16 Loans from stockholders and other related persons.....		-2,063,353.
17 Other liabilities (attach schedule) .....	586,589.	351,291.
18 Capital stock:		
a Preferred stock .....		
b Common stock .....	1,173,401.	1,095,023.
19 Paid-in or capital surplus (attach reconciliation).....		0.
20 Retained earnings .....	12,354,155.	11,472,732.
21 Less cost of treasury stock .....	( )	( )
22 Total liabilities and stockholders' equity .....	19,905,278.	30,124,873.

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**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required attachment.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.		

**Schedule H Current Earnings and Profits (See the instructions.)**

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1	-203,887.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses .....		
b Depreciation and amortization .....		
c Depletion .....		
d Investment or incentive allowance .....		
e Charges to statutory reserves.....		
f Inventory adjustments .....		
g Taxes.....	324,122.	
h Other (attach schedule).....	0.	0.
3 Total net additions .....	0.	324,122.
4 Total net subtractions.....		
5a Current earnings and profits (line 1 plus line 3 minus line 4) .....	5a	-528,009.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....	5b	
c Combine lines 5a and 5b .....	5c	-528,009.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).....	5d	-293,911.
Enter exchange rate used for line 5d ►		0.5566400

**Schedule I Summary of Shareholder's Income From Foreign Corporation (See the instructions.)**

1 Subpart F income (line 40b, Worksheet A in the instructions) .....	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions) .....	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions) .....	4	
5 Factoring income .....	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions .....	6	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	7	
8 Exchange gain or (loss) on a distribution of previously taxed income. ....	8	

Yes  No

- Was any income of the foreign corporation blocked? .....
- Did any such income become unblocked during the tax year (see section 964(b))? .....

If the answer to either question is "Yes," attach an explanation.

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**SCHEDULE J  
(Form 5471)**(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number  
65-0773649

Name of foreign corporation

W.R. GRACE (SINGAPORE) PT

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	19,421,655.	4,176,116.				23,597,771.
2a Current year E&P						
b Current year deficit in E&P	528,009.					
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	18,893,646.	4,176,116.				
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	18,893,646.	4,176,116.				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	18,893,646.	4,176,116.	0.	0.	0.	23,069,762.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

CAA 1 5471J1 NTF 35690

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**SCHEDULE M**

(Form 5471)

(Rev. May 2001)

Department of the Treasury

Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

W.R. GRACE (SINGAPORE) PT

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► Singapore Dollar 0.5566400

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....			1,721,239.		
2 Sales of property rights (patents, trademarks, etc.).....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....			1,601,111.		
4 Commissions received .....					
5 Rents, royalties, and license fees received.....					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).....					
7 Interest received .....			63,353.		
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8 .....	0.	0.	3,385,703.	0.	0.
10 Purchases of stock in trade (inventory).....		50,878,244.	6,264,774.		
11 Purchases of tangible property other than stock in trade .....					
12 Purchases of property rights (patents, trademarks, etc.).....					
13 Compensation paid for technical, managerial, engineering, construction, or like services.....		86,089.	60,900.		
14 Commissions paid.....			91,434.		
15 Rents, royalties, and license fees paid.....		132,248.	111,235.		
16 Dividends paid .....					
17 Interest paid .....					
18 Add lines 10 through 17 .....	0.	51,096,581.	6,528,343.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions .....					
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions .....			2,000,000.		

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

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W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

Statement 1  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Income

Description	Functional Currency	U.S. Dollars
OPERATING REVENUE	135,345	75,338
OTHER INCOME	1,140,635	634,923
INTER CORP. OTHER INCOME	625,223	348,024
Total	1,901,203	1,058,285

000771 09/03/2002  
 W. R. GRACE & CO. & SUBSIDIARIES  
 W.R. GRACE (SINGAPORE) PT

Statement 2  
 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	759,580	422,813
CHARITABLE DEDUCTIONS	7,227	4,023
ADVERTISING	229,412	127,700
GENERAL STATIONARY AND SU	280,645	156,218
TELEPHONE COMMUNICATIONS	2,891,491	1,609,520
OPERATING COSTS	1,058,370	589,131
UTILITIES	104,331	58,075
REPAIRS AND MAINTENANCE	78,369	43,623
INSURANCE	156,499	87,114
SERVICE CHARGES	3,603,546	2,005,878
EXPENSE TRANSFERS	-1	-1
AMORTIZATION CHARGES	5,267	2,932
OTHER DEDUCTIONS	-4,480	-2,494
INTER CORP. - OTHER EXP.	538,592	299,802
 Total	9,708,848	5,404,334

♥ 000771 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

Statement 3  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	240,083	175,906
CURRENT DEFERRED TAXES	72,716	
<b>Total</b>	<b>312,799</b>	<b>175,906</b>

000771 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

Statement 4  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 7. -- Other Investments

Detail Description	Beginning	Ending
MISCELLANEOUS INVESTMENTS	141,363	128,348
Total	141,363	128,348

000771 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

STATEMENT 5  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES	509,503	1,350,058
Total	509,503	1,350,058

000771 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

Statement 6  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE	1,125,308	1,187,438
INCOME TAXES PAYABLE	1,093,787	408,309
ACCRUED CURRENT LIABILITI	1,720,279	1,429,814
DEFERRED INCOME	-56,072	21,156
INTRA CORPORATE	-1,934	
INTER CORPORATE BAL. WITH	1,252,214	15,656,572
Total	5,133,582	18,703,289

000771 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE (SINGAPORE) PT

Statement 7  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	586,589	351,291
Total	586,589	351,291

000255 09/03/2002

FILED PURSUANT TO REV. PROC. 92-70 FOR DORMANT FOREIGN CORPORATIONS

**Form 5471**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Information Return of U.S. Persons With  
Respect To Certain Foreign Corporations**

► See separate Instructions.

OMB No. 1545-0704

File In Duplicate

(see When and  
Where To File in the  
instructions)Information furnished for the foreign corporation's annual accounting period (tax year required by  
section 898) (see instructions) beginning 01/01 , 2001 , and ending 12/31 , 2001

Name of person filing this return

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Number, street, &amp; room or suite no. (or P.O. box no. if mail is not delivered to street address)

5400 BROKEN SOUND BLVD. - SUITE 300

City or town, state, and ZIP code

BOCA RATON, FL 33487

Filer's tax year beginning 01/01 , 2001 , and ending 12/31 , 2001

**A Identifying number**

65-0773649

**B Category of filer (See instructions. Check applicable box(es)):**1  2  3  4  5 **C Enter the total percentage of the foreign corporation's voting stock  
you owned at the end of its annual accounting period** 100 %**D Person(s) on whose behalf this information return is filed:**

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.**1a Name and address of foreign corporation**

GRACE DAVISON (PTY) LTD.

CORNER OF MILL AND ISCOR STREETS

BELLVILLE 7530, SOUTH AFRICA

**b Employer identification number, if any****c Country under whose laws incorporated**

SOUTH AFRICA

**d Date of incorporation****e Principal place of busn.****f Principal business activity**

code number

**g Principal business activity****h Functional currency**

4/23/98

SOUTH AFRICA

South African Rand

**2 Provide the following information for the foreign corporation's accounting period stated above.****a Name, address, and identifying number of branch office or agent  
(if any) in the United States****b If a U.S. income tax return was filed, please show:**

(i) Taxable income or (loss)

(ii) U.S. income tax paid  
(after all credits)**c Name and address of foreign corporation's statutory or resident  
agent in country of incorporation****d Name and address (including corporate department, if applicable) of  
person (or persons) with custody of books & records of the foreign  
corporation, and the location of such books and records, if different****Schedule A Stock of the Foreign Corporation****Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock <i>(Note: This description should match the corresponding description entered in Part I, column (a).)</i>	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate Instructions.

Form 5471 (Rev. 5-2001)

**Form 5471**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Information Return of U.S. Persons With  
Respect To Certain Foreign Corporations**

► See separate Instructions.

OMB No. 1545-0704

File In Duplicate  
(see When and  
Where To File in the  
instructions)

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning 01/01 , 2001 , and ending 12/31 , 2001

Name of person filing this return

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address)  
5400 BROKEN SOUND BLVD. - SUITE 300City or town, state, and ZIP code  
BOCA RATON, FL 33487

Filer's tax year beginning 01/01 , 2001 , and ending 12/31 , 2001

**D Person(s) on whose behalf this information return is filed:**

(1) Name	(2) Address	(3) Identifying number	(4) Check applicable box(es)		
			Shareholder	Officer	Director

Important: Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.

**1a Name and address of foreign corporation**W.R. GRACE AFRICA (PTY)  
CORNER OF MILL AND ISCOR STREETS  
BELVILLE 7530, SOUTH AFRICA**b Employer identification number, if any****c Country under whose laws incorporated**  
SOUTH AFRICA

d Date of incorporation	e Principal place of busn.	f Principal business activity code number	g Principal business activity	h Functional currency
02/04/63	SOUTH AFRICA	325900	OTHER CHEMICAL PRODUCT MFG	South African Rand

**2 Provide the following information for the foreign corporation's accounting period stated above.**

a Name, address, and identifying number of branch office or agent (if any) in the United States	b If a U.S. income tax return was filed, please show: (i) Taxable income or (loss)      (ii) U.S. income tax paid (after all credits)	

c Name and address of foreign corporation's statutory or resident agent in country of incorporation	d Name and address (including corporate department, if applicable) of person (or persons) with custody of books & records of the foreign corporation, and the location of such books and records, if different  D BOYD
---	--

**Schedule A Stock of the Foreign Corporation****Part I — ALL Classes of Stock**

(a) Description of each class of stock	(b) Number of shares issued and outstanding	
	(i) Beginning of annual accounting period	(ii) End of annual accounting period
COMMON	75,000	75,000

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)	(b) Par value in functional currency	(c) Rate of dividend	(d) Indicate whether stock is cumulative or noncumulative

For Paperwork Reduction Act Notice, see the separate instructions.

Form 5471 (Rev. 5-2001)

Form 5471 (Rev. 5-2001)

**Schedule B U.S. Shareholders of Foreign Corporation** (See the instructions.)

(a) Name, address, and identifying number of shareholder	(b) Description of each class of stock held by shareholder <b>(Note:</b> This description should match the corresponding description entered in Schedule A, Part I, column (a).)	(c) Number of shares held at beginning of annual accounting period	(d) Number of shares held at end of annual accounting period	(e) Pro rata share of subpart F income (enter as a percentage)
*W.R. GRACE & CO-CONN 7500 GRACE DRIVE COLUMBIA, MD 21044 13-3461988	COMMON	75,000	75,000	
*A WHOLLY OWNED SUBSIDIARY OF W.R. GRACE & CO.				

**Schedule C      Income Statement (See the instructions.)**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
I N C O M E	1a Gross receipts or sales .....	64,090,890.	7,383,911.
	b Returns and allowances .....	1,696,396.	195,442.
	c Subtract line 1b from line 1a .....	62,394,494.	7,188,469.
	2 Cost of goods sold .....	40,358,864.	4,649,745.
	3 Gross profit (subtract line 2 from line 1c) .....	22,035,630.	2,538,724.
	4 Dividends .....		
	5 Interest .....	1,739,873.	200,451.
	6 Gross rents, royalties, and license fees .....		
	7 Net gain or (loss) on sale of capital assets .....		
D E D U C T I O N S	8 Other income (attach schedule) .....	SEE STATEMENT 1.	
	9 Total income (add lines 3 through 8) .....	23,006,770.	2,650,610.
	10 Compensation not deducted elsewhere .....	5,876,860.	677,073.
	11 Rents, royalties, and license fees .....	2,553,941.	294,239.
	12 Interest .....	16,162.	1,862.
	13 Depreciation not deducted elsewhere .....	484,741..	55,847.
	14 Depletion .....		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes) .....	158,593.	18,271.
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes) .....	4,505,861.	519,121.
I N C O M E	17 Total deductions (add lines 10 through 16) .....	13,596,158.	1,566,413.
	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9) .....		
	19 Extraordinary items and prior period adjustments (see instructions) .....	9,410,612.	1,084,197.
	20 Provision for income, war profits, and excess profits taxes (see instructions) .....	6,317,837.	727,878.
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20) .....	3,092,775.	356,319.

Form 5471 (Rev. 5-2001)

**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)**

	(a) Name of country or U.S. possession	Amount of tax		
		(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.				
2 SOUTH AFRICA	2,881,831.	0.1006772	290,135.	
3				
4				
5				
6				
7				
8 Total.....				290,135.

**Schedule F Balance Sheet**

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

	Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....		1 3,085,390.	2,525,382.
2a Trade notes and accounts receivable.....		2a 1,196,703.	635,931.
b Less allowance for bad debts.....		2b (-30,601.)	(-27,346.)
3 Inventories .....		3 989,561.	745,273.
4 Other current assets (attach schedule).....	SEE STATEMENT. 3...	4 202,397.	129,586.
5 Loans to stockholders and other related persons.....		5	
6 Investment in subsidiaries (attach schedule).....		6	
7 Other investments (attach schedule).....	SEE STATEMENT. 4...	7 9,269.	5,841.
8a Buildings and other depreciable assets.....		8a 1,034,396.	722,391.
b Less accumulated depreciation.....		8b (-554,988.)	(370,599.)
9a Depletable assets.....		9a	
b Less accumulated depletion.....		9b (- )	( )
10 Land (net of any amortization).....		10 1,094.	689.
11 Intangible assets:		11a	
a Goodwill.....		11b	
b Organization costs.....		11c	
c Patents, trademarks, and other intangible assets.....		11d (- )	( )
d Less accumulated amortization for lines 11a, b, and c.....		12 2,073,008.	1,301,204.
12 Other assets (attach schedule).....	SEE STATEMENT. 5...	13 8,067,431.	5,723,044.
13 Total assets .....			
	Liabilities and Stockholders' Equity		
14 Accounts payable.....		14 407,712.	276,964.
15 Other current liabilities (attach schedule).....	SEE STATEMENT. 6...	15 726,567.	507,924.
16 Loans from stockholders and other related persons.....		16	
17 Other liabilities (attach schedule).....	SEE STATEMENT. 7...	17 126,681.	390,452.
18 Capital stock:		18a	
a Preferred stock.....		18b 64,408.	40,585.
b Common stock.....		19 3,151,280.	1,985,686.
19 Paid-in or capital surplus (attach reconciliation).....		20 3,590,783.	2,521,433.
20 Retained earnings .....		21 (- )	( )
21 Less cost of treasury stock.....		22 8,067,431.	5,723,044.
22 Total liabilities and stockholders' equity.....			

Form 5471 (Rev. 5-2001)

**Schedule G Other Information**

Yes No

1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership? .....    
If "Yes," see the instructions for required attachment.

2 During the tax year, did the foreign corporation own an interest in any trust? .....

3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3? .....    
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.

**Schedule H Current Earnings and Profits** (See the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1	3,092,775.
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses .....		
b Depreciation and amortization .....		
c Depletion .....		
d Investment or incentive allowance .....		
e Charges to statutory reserves .....		
f Inventory adjustments .....		
g Taxes .....	3,436,006.	
h Other (attach schedule) .....	0.	0.
3 Total net additions .....	3,436,006.	
4 Total net subtractions.....		0.
5a Current earnings and profits (line 1 plus line 3 minus line 4) .....		5a 6,528,781.
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions) .....		5b
c Combine lines 5a and 5b .....		5c 6,528,781.
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).....		5d 752,181.
Enter exchange rate used for line 5d ►		0.1152100

**Schedule I Summary of Shareholder's Income From Foreign Corporation** (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions) .....	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions) .....	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions) .....	4	
5 Factoring income .....	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions .....	6	0.
7 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	7	
8 Exchange gain or (loss) on a distribution of previously taxed income. ....	8	

Yes No

- Was any income of the foreign corporation blocked? .....
- Did any such income become unblocked during the tax year (see section 964(b))? .....

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J  
(Form 5471)**(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number  
65-0773649

Name of foreign corporation

W.R. GRACE AFRICA (PTY)

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	32,546,455.					32,546,455.
2a Current year E&P	6,528,781.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	39,075,236.					
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	39,075,236.	0.				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	39,075,236.	0.	0.	0.	0.	39,075,236.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

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**SCHEDULE M****(Form 5471)**

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number

65-0773649

Name of foreign corporation

W.R. GRACE AFRICA (PTY)

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► South African Rand 0.1152100

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....			14,115.		
2 Sales of property rights (patents, trademarks, etc.).....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....					
4 Commissions received .....					
5 Rents, royalties, and license fees received.....					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).....					
7 Interest received .....					
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8 .....	0.	0.	14,115.	0.	0.
10 Purchases of stock in trade (inventory).....			1,878,723.		
11 Purchases of tangible property other than stock in trade .....					
12 Purchases of property rights (patents, trademarks, etc.).....					
13 Compensation paid for technical, managerial, engineering, construction, or like services.....					
14 Commissions paid.....					
15 Rents, royalties, and license fees paid.....			108,061.		
16 Dividends paid .....					
17 Interest paid .....					
18 Add lines 10 through 17 .....	0.	0.	1,986,784.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions .....					
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions .....					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

Statement 1  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

## Other Income

Description	Functional Currency	U.S. Dollars
OPERATING REVENUE	40,332	4,647
OTHER INCOME	-809,065	-93,212
Total	-768,733	-88,565

000767 09/03/2002  
 W. R. GRACE & CO. & SUBSIDIARIES  
 W.R. GRACE AFRICA (PTY)

Statement 2  
 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	941,475	108,467
CHARITABLE DEDUCTIONS	27,673	3,188
ADVERTISING	167,882	19,342
GENERAL STATIONARY AND SU	247,408	28,504
TELEPHONE COMMUNICATIONS	1,801,247	207,522
OPERATING COSTS	328,232	37,816
UTILITIES	3,783	436
REPAIRS AND MAINTENANCE	121,578	14,007
INSURANCE	421,699	48,584
SERVICE CHARGES	471,913	54,369
OTHER DEDUCTIONS	-27,027	-3,114
EXPENSE TRANSFERS	-2	
 Total	4,505,861	519,121

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

Statement 3  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

## Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
OTHER PREPAYMENTS AND OTH	56,854	13,860
CURRENT DEFERRED TAXES	145,543	115,726
Total	202,397	129,586

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

STATEMENT 4  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 7.-- Other Investments

Detail Description	Beginning	Ending
MISCELLANEOUS INVESTMENTS	9,269	5,841
Total	9,269	5,841

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

Statement 5  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES	2,073,008	1,301,204
Total	2,073,008	1,301,204

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

Statement 6  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 15 -- Other Current Liabilities

Detail Description	Beginning	Ending
ACCEPTANCE PAYABLE	92,248	59,410
INCOME TAXES PAYABLE	-23,007	87,930
ACCRUED CURRENT LIABILITIES	309,520	155,461
OTHER CURRENT LIABILITIES	-7,986	-5,032
INDEMNITIES, PENSIONS AND	3,685	60,132
INTER CORPORATE BAL. WITH	352,107	150,023
Total	726,567	507,924

000767 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
W.R. GRACE AFRICA (PTY)

Statement 7  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 17 -- Other Liabilities

Detail Description	Beginning	Ending
NON CURRENT DEFERRED TAX	126,681	390,452
Total	126,681	390,452

Form 5471

(Rev. May 2001)

Department of the Treasury  
Internal Revenue Service**Information Return of U.S. Persons With  
Respect To Certain Foreign Corporations**

► See separate Instructions.

OMB No. 1545-0704

File In Duplicate  
(see When and  
Where To File in the  
instructions)

Information furnished for the foreign corporation's annual accounting period (tax year required by section 898) (see instructions) beginning <b>01/01</b> , 2001, and ending <b>12/31</b> , 2001	
Name of person filing this return <b>W. R. GRACE &amp; CO. &amp; SUBSIDIARIES</b>	<b>A Identifying number</b> <b>65-0773649</b>
Number, street, & room or suite no. (or P.O. box no. if mail is not delivered to street address) <b>5400 BROKEN SOUND BLVD. - SUITE 300</b>	<b>B Category of filer (See instructions. Check applicable box(es)):</b> 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> 4 <input checked="" type="checkbox"/> 5 <input checked="" type="checkbox"/>
City or town, state, and ZIP code <b>BOCA RATON, FL 33487</b>	<b>C Enter the total percentage of the foreign corporation's voting stock you owned at the end of its annual accounting period</b> <b>100%</b>
Filer's tax year beginning <b>01/01</b> , 2001, and ending <b>12/31</b> , 2001	

**D Person(s) on whose behalf this information return is filed:**

<b>(1) Name</b>	<b>(2) Address</b>	<b>(3) Identifying number</b>	<b>(4) Check applicable box(es)</b>
			Shareholder Officer Director

**Important:** Fill in all applicable lines and schedules. All information must be in the English language. All amounts must be stated in U.S. dollars unless otherwise indicated.

<b>1a Name and address of foreign corporation</b> <b>GRACE S.A.</b> <b>RIERA DE FONOLLAR NO 12</b> <b>08830 SANT BOI DE LLOBREGAT, BARCELONA SPAIN</b>	<b>b Employer identification number, if any</b>			
	<b>c Country under whose laws incorporated</b> <b>SPAIN</b>			
<b>d Date of incorporation</b> <b>8/8/61</b>	<b>e Principal place of busn.</b> <b>SPAIN</b>	<b>f Principal business activity code number</b> <b>325900</b>	<b>g Principal business activity</b> <b>OTHER CHEMICAL PRODUCT MFG</b>	<b>h Functional currency</b> <b>EURO</b>

<b>2 Provide the following information for the foreign corporation's accounting period stated above.</b>		
<b>a Name, address, and identifying number of branch office or agent (if any) in the United States</b>	<b>b If a U.S. income tax return was filed, please show:</b>	
	<b>(i) Taxable income or (loss)</b>	<b>(ii) U.S. income tax paid (after all credits)</b>
<b>c Name and address of foreign corporation's statutory or resident agent in country of incorporation</b>	<b>d Name and address (including corporate department, if applicable) of person (or persons) with custody of books &amp; records of the foreign corporation, and the location of such books and records, if different</b>	
	<b>GENIS PONT</b>	

**Schedule A Stock of the Foreign Corporation****Part I — ALL Classes of Stock**

<b>(a) Description of each class of stock</b>	<b>(b) Number of shares issued and outstanding</b>	
	<b>(i) Beginning of annual accounting period</b>	<b>(ii) End of annual accounting period</b>
<b>ORDINARY SHARES</b>	<b>1,407,302</b>	<b>1,407,302</b>

**Part II — Additional Information for Preferred Stock**

(To be completed only by Category 1 filers for foreign personal holding companies)

<b>(a) Description of each class of Preferred stock (Note: This description should match the corresponding description entered in Part I, column (a).)</b>	<b>(b) Par value in functional currency</b>	<b>(c) Rate of dividend</b>	<b>(d) Indicate whether stock is cumulative or noncumulative</b>

For Paperwork Reduction Act Notice, see the separate Instructions.

Form 5471 (Rev. 5-2001)

**Form 5471 (Rev. 5-2001)**

**Schedule B U.S. Shareholders of Foreign Corporation** (See the instructions.)

**Schedule C      Income Statement (See the instructions.)**

**Important:** Report all information in functional currency in accordance with U.S. GAAP. Also, report each amount in U.S. dollars translated from functional currency (using GAAP translation rules). However, if the functional currency is the U.S. dollar, complete only the U.S. Dollars column. See instructions for special rules for DASTM corporations.

		Functional Currency	U.S. Dollars
INCOME	1a Gross receipts or sales .....	18,915,174.	16,886,522.
	b Returns and allowances .....	1,282,816.	1,145,234.
	c Subtract line 1b from line 1a .....	17,632,358.	15,741,288.
	2 Cost of goods sold .....	11,825,199.	10,556,947.
	3 Gross profit (subtract line 2 from line 1c) .....	5,807,159.	5,184,341.
	4 Dividends .....		
	5 Interest .....	-27,510.	-24,559.
	6 Gross rents, royalties, and license fees .....	345,672.	308,599.
	7 Net gain or (loss) on sale of capital assets .....		
DEDUCTIONS	8 Other income (attach schedule) .....	SEE. STATEMENT. 1	
	9 Total income (add lines 3 through 8) .....	7,692,387.	6,867,380.
	10 Compensation not deducted elsewhere .....	2,451,574.	2,188,643.
	11 Rents, royalties, and license fees .....	773,343.	690,402.
	12 Interest .....	-9,936.	-8,870.
	13 Depreciation not deducted elsewhere .....	500,370.	446,705.
	14 Depletion .....		
	15 Taxes (exclude provision for income, war profits, and excess profits taxes) .....	40,699.	36,334.
	16 Other deductions (attach schedule -- exclude provision for income, war profits, and excess profits taxes) .....	SEE. STATEMENT. 2	
NET INCOME	17 Total deductions (add lines 10 through 16) .....	1,715,057.	1,531,118.
	18 Net income or (loss) before extraordinary items, prior period adjustments, and the provision for income, war profits, and excess profits taxes (subtract line 17 from line 9) .....	5,471,107.	4,884,332.
	19 Extraordinary items and prior period adjustments (see instructions) .....		
	20 Provision for income, war profits, and excess profits taxes (see instructions) .....		
	21 Current year net income or (loss) per books (line 18 plus line 19 minus line 20) .....	1,482,747.	1,323,723.

Form 5471 (Rev. 5-2001)

GRACE S.A.

**Schedule E Income, War Profits, and Excess Profits Taxes Paid or Accrued (See instructions.)**

(a) Name of country or U.S. possession	Amount of tax		
	(b) In foreign currency	(c) Conversion rate	(d) In U.S. dollars
1 U.S.			
2 Spain	648,669.	0.8944710	580,216.
3			
4			
5			
6			
7			
8 Total.....			580,216.

**Schedule F Balance Sheet**

Important: Report all amounts in U.S. dollars prepared and translated in accordance with U.S. GAAP. See the instructions for an exception for DASTM corporations.

Assets	(a) Beginning of annual accounting period	(b) End of annual accounting period
1 Cash .....	2,109,496.	2,689,551.
2a Trade notes and accounts receivable.....	5,684,910.	7,018,106.
b Less allowance for bad debts.....	( -78,300. )	( -111,061. )
3 Inventories .....	743,484.	738,463.
4 Other current assets (attach schedule).....	SEE STATEMENT 3.	
5 Loans to stockholders and other related persons.....	12,805.	-5,188.
6 Investment in subsidiaries (attach schedule).....		
7 Other investments (attach schedule).....	SEE STATEMENT 4.	
8a Buildings and other depreciable assets.....		
b Less accumulated depreciation .....		
9a Depletable assets.....		
b Less accumulated depletion.....		
10 Land (net of any amortization).....		
11 Intangible assets:		
a Goodwill.....		
b Organization costs.....		
c Patents, trademarks, and other intangible assets.....		
d Less accumulated amortization for lines 11a, b, and c.....		
12 Other assets (attach schedule).....	SEE STATEMENT 5.	
13 Total assets .....	15,001,980.	16,519,852.
Liabilities and Stockholders' Equity		
14 Accounts payable.....	3,188,519.	3,906,268.
15 Other current liabilities (attach schedule).....	SEE STATEMENT 6.	995,202. 918,708.
16 Loans from stockholders and other related persons.....	1,038,987.	1,026,422.
17 Other liabilities (attach schedule).....	SEE STATEMENT 7.	210,063. 279,833.
18 Capital stock:		
a Preferred stock.....		
b Common stock.....		
19 Paid-in or capital surplus (attach reconciliation).....		0. 0.
20 Retained earnings .....	5,414,469.	6,446,277.
21 Less cost of treasury stock.....	( )	
22 Total liabilities and stockholders' equity .....	15,001,980.	16,519,852.

**Schedule G Other Information**

	Yes	No
1 During the tax year, did the foreign corporation own at least a 10% interest, directly or indirectly, in a foreign partnership?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," see the instructions for required attachment.		
2 During the tax year, did the foreign corporation own an interest in any trust? .....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
3 During the tax year, did the foreign corporation own any foreign entities that were disregarded as entities separate from their owners under Regulations sections 301.7701-2 and 301.7701-3?.....	<input type="checkbox"/>	<input checked="" type="checkbox"/>
If "Yes," attach a statement listing the name, country under whose laws the entity was organized, and EIN (if any) of each entity.		

**Schedule H Current Earnings and Profits** (See the instructions.)

Important: Enter the amounts on lines 1 through 5c in functional currency.

1 Current year net income or (loss) per foreign books of account.....	1 1,482,747.	
2 Net adjustments made to line 1 to determine current earnings and profits according to U.S. financial and tax accounting standards (see instructions):		
a Capital gains or losses .....	89,864.	0.
b Depreciation and amortization .....	0.	0.
c Depletion .....	89,864.	0.
d Investment or incentive allowance .....		
e Charges to statutory reserves.....		
f Inventory adjustments .....		
g Taxes.....	0.	0.
h Other (attach schedule).....		
3 Total net additions.....	89,864.	0.
4 Total net subtractions.....	0.	0.
5a Current earnings and profits (line 1 plus line 3 minus line 4).....	5a 1,572,611.	
b DASTM gain or (loss) for foreign corporations that use DASTM (see instructions).....	5b	
c Combine lines 5a and 5b.....	5c 1,572,611.	
d Current earnings and profits in U.S. dollars (line 5c translated at the appropriate exchange rate as defined in section 989(b) and the related regulations) (see instructions).....	5d 1,403,948.	
Enter exchange rate used for line 5d ► 0.8927500		

**Schedule I Summary of Shareholder's Income From Foreign Corporation** (See the instructions.)

1 Subpart F income (line 40b, Worksheet A in the instructions) .....	1	
2 Earnings invested in U.S. property (line 17, Worksheet B in the instructions).....	2	
3 Previously excluded subpart F income withdrawn from qualified investments (line 6b, Worksheet C in the instructions) .....	3	
4 Previously excluded export trade income withdrawn from investment in export trade assets (line 7b, Worksheet D in the instructions) .....	4	
5 Factoring income.....	5	
6 Total of lines 1 through 5. Enter here and on your income tax return. See instructions .....	6 0.	
7 Dividends received (translated at spot rate on payment date under section 989(b)(1)) .....	7	
8 Exchange gain or (loss) on a distribution of previously taxed income.....	8	

	Yes	No
--	-----	----

- Was any income of the foreign corporation blocked? .....
- Did any such income become unblocked during the tax year (see section 964(b))? .....

If the answer to either question is "Yes," attach an explanation.

**SCHEDULE J  
(Form 5471)**(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service**Accumulated Earnings and Profits (E&P)  
of Controlled Foreign Corporation**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number  
65-0773649

Name of foreign corporation

GRACE S.A.

Important. Enter amounts in functional currency.	(a) Post-1986 Undistributed Earnings (post-86 section 959(c)(3) balance)	(b) Pre-1987 E&P Not Previously Taxed (pre-87 section 959(c)(3) balance)	(c) Previously Taxed E&P (see instructions) (sections 959(c)(1) and (2) balances)			(d) Total Section 964(a) E&P (combine columns (a), (b), and (c))
			(i) Earnings Invested in U.S. Property	(ii) Earnings Invested in Excess Passive Assets	(iii) Subpart F Income	
1 Balance at beginning of year	1,849,064.	1,445,582.				3,294,646.
2a Current year E&P	1,528,799.					
b Current year deficit in E&P						
3 Total current and accumulated E&P not previously taxed (line 1 plus line 2a, minus line 2b)	3,377,863.	1,445,582.				
4 Amounts included under sec. 951(a) or reclassified under section 959(c) in current year						
5a Actual distributions or reclassifications of previously taxed E&P						
b Actual distributions of nonpreviously taxed E&P						
6a Balance of previously taxed E&P at end of year (line 1 plus line 4, minus line 5a)			0.	0.	0.	
b Balance of E&P not previously taxed at end of year (line 3 minus line 4, minus line 5b)	3,377,863.	1,445,582.				
7 Balance at end of year. (Enter amount from line 6a / line 6b, whichever is applic.)	3,377,863.	1,445,582.	0.	0.	0.	4,823,445.

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule J (Form 5471) (Rev. 5-2001)

**SCHEDULE M**  
**(Form 5471)**  
(Rev. May 2001)  
Department of the Treasury  
Internal Revenue Service

**Transactions Between Controlled Foreign Corporation  
and Shareholders or Other Related Persons**

OMB No. 1545-0704

► Attach to Form 5471. See Instructions for Form 5471.

Name of person filing Form 5471

W. R. GRACE &amp; CO. &amp; SUBSIDIARIES

Identifying number  
65-0773649

Name of foreign corporation

GRACE S.A.

**Important:** Complete a separate Schedule M for each controlled foreign corporation. Enter the totals for each type of transaction that occurred during the annual accounting period between the foreign corporation and the persons listed in columns (b) through (f). All amounts must be stated in U.S. dollars translated from functional currency at the average exchange rate for the foreign corporation's tax year. See the instructions.

Enter the relevant functional currency and the exchange rate used throughout this schedule ► Euro .8927500

(a) Transactions of foreign corporation	(b) U.S. person filing this return	(c) Any domestic corporation or partnership controlled by U.S. person filing this return	(d) Any other foreign corporation or partnership controlled by U.S. person filing this return	(e) 10% or more U.S. shareholder of controlled foreign corporation (other than the U.S. person filing this return)	(f) 10% or more U.S. shareholder of any corporation controlling the foreign corporation
1 Sales of stock in trade (inventory).....			1,244,881.		
2 Sales of property rights (patents, trademarks, etc.).....					
3 Compensation received for technical, managerial, engineering, construction, or like services.....			214,852.		
4 Commissions received .....			1,396,349.		
5 Rents, royalties, and license fees received.....					
6 Dividends received (exclude deemed distributions under subpart F and distributions of previously taxed income).....					
7 Interest received .....					
8 Premiums received for insurance or reinsurance.....					
9 Add lines 1 through 8 .....	0.	0.	2,856,082.	0.	0.
10 Purchases of stock in trade (inventory).....			544,569.		
11 Purchases of tangible property other than stock in trade .....					
12 Purchases of property rights (patents, trademarks, etc.).....					
13 Compensation paid for technical, managerial, engineering, construction, or like services.....			250,738.		
14 Commissions paid.....					
15 Rents, royalties, and license fees paid.....			347,079.		
16 Dividends paid .....					
17 Interest paid .....			41,206.		
18 Add lines 10 through 17 .....	0.	0.	1,183,592.	0.	0.
19 Amounts borrowed (enter the maximum loan balance during the year) -- see instructions .....			888,307.		
20 Amounts loaned (enter the maximum loan balance during the year) -- see instructions .....					

For Paperwork Reduction Act Notice, see the Instructions for Form 5471.

Schedule M (Form 5471) (Rev. 5-2001)

000427 09/03/2002  
W. R. GRACE & CO. & SUBSIDIARIES  
GRACE S.A.

Statement 1  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

## Other Income

Description	Functional Currency	U.S. Dollars
OPERATING REVENUE	1,114	995
OTHER INCOME	-3,020	-2,696
INTER CORP. OTHER INCOME	1,568,972	1,400,700
Total	1,567,066	1,398,999

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 W. R. GRACE & CO. & SUBSIDIARIES  
 GRACE S.A.

Statement 2  
 65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 2 Schedules

Other Deductions

Description	Functional Currency	U.S. Dollars
PROFESSIONAL, CORPORATION	331,332	295,797
ADVERTISING	64,368	57,465
GENERAL STATIONARY AND SU	120,926	107,957
TELEPHONE COMMUNICATIONS	479,734	428,283
OPERATING COSTS	509,879	455,194
UTILITIES	91,315	81,521
REPAIRS AND MAINTENANCE	295,167	263,510
INSURANCE	67,573	60,326
SERVICE CHARGES	1,821	1,626
EXPENSE TRANSFERS	-565,502	-504,852
AMORTIZATION CHARGES	47,490	42,397
INTER CORP. - OTHER EXP.	270,954	241,894
 Total	1,715,057	1,531,118

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GRACE S.A.

Statement 3  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

## Schedule F, line 4 -- Other Current Assets

Detail Description	Beginning	Ending
-----	-----	-----
OTHER PREPAYMENTS AND OTH	12,805	-5,188
-----	-----	-----
Total	12,805	-5,188
=====	=====	=====

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GRACE S.A.

Statement 4  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 7 -- Other Investments

Detail Description	Beginning	Ending
MISCELLANEOUS INVESTMENTS	16,178	16,510
Total	16,178	16,510

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W. R. GRACE & CO. & SUBSIDIARIES  
GRACE S.A.

STATEMENT 5  
65-0773649

Tax Year Ended 12/31/2001

Form 5471 Page 3 Schedules

Schedule F, line 12 -- Other Assets

Detail Description	Beginning	Ending
DEFERRED CHARGES	687,403	741,729
Total	687,403	741,729